

Program's Fallen 'Woefully Short' of Goal to Preserve Homeownership

WASHINGTON D.C. – The [Special Inspector General of the Troubled Asset Relief Program \(SIGTARP\) Neil Barofsky](#), released a report today characterizing the Treasury Departments' claim that 'every single person' who participates in the Home Affordable Modification Program (HAMP) gets 'a significant benefit' as "either hopelessly out of touch with the real harm that has been inflicted on many families or a cynical attempt to define failure as success."

"It is downright immoral and cruel for this Administration to continue this charade of offering false hope and false promises in the form of a program that is nothing more than false-advertising that is prolonging the inevitable," said Rep. Darrell Issa (R-CA), the Ranking Member of the House Committee on Oversight and Government Reform, responding to the SIGTARP's findings.

According to the report's Executive Summary: "Treasury has steadfastly rejected [SIGTARP's] recommendations, and now finds itself defending a program that is failing to meet TARP's goal of 'preserv[ing] homeownership.' As a result, a program that began with much promise now must be counted among those that risk generating public anger and mistrust...The most specific of TARP's Main Street goals, 'preserving homeownership,' has so far fallen woefully short, with TARP's portion of the Administration's mortgage modification program yielding only approximately 207,000 (out of 467,000) ongoing permanent modifications since TARP's inception, a number that stands in stark contrast to the 5.5 million homes receiving foreclosure filings and more than 1.7 million homes that have been lost to foreclosures since January 2009."

Specifically, the report found:

- Close to 2.7 million homes have been subject to foreclosure notices.
- Record total of more than 102,000 bank repossessions were reported in September of 2010 – the first time that bank repossessions have surpassed the 100,000 mark in a single-month.
- Repossessions totaled nearly 820,000 from January 2010 through September 2010.
- HAMP, as of September 30, 2010, has only approximately 467,000 ongoing permanent modifications
- A combined total of close to 700,000 of the almost 1.4 million total trial modifications were cancelled

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